



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of  
Health and Social Services**

OFFICE OF RATE REVIEW

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January 26, 2015

Dear HCB Waiver or PCA Provider,

Per 7 AAC 145.531(e), all providers of home and community based Waiver services and personal care attendant services are required to provide to the Office of Rate Review (ORR) an annual report no later than nine months after the end of the provider's fiscal year. The components of an annual report include:

1. Audited financial statements
2. Post audit working trial balance
3. Signed Certification page and Revenue & Statistics page from the Cost Survey.

Per the regulations, providers who received less than \$200,000 in Medicaid payments during the applicable reporting period have the option of taking a 10% or 20% rate reduction instead of fully or partially complying with the annual reporting requirements. Providers who received \$200,000 or more in Medicaid payments during the applicable reporting period must timely submit a complete annual report or be subject to a 20% rate reduction and/or removal from the Medicaid program.

The State of Alaska implemented its new Medicaid Management Information System (MMIS) for Medicaid claims processing and reporting generation on October 1, 2013. Many providers rely on remittance advices and claims reports that are generated by the MMIS system to comply with the annual reporting requirements specified above. Unfortunately, these aspects of the MMIS system are not adequate for providers to rely on at this time for completing their annual reports.

We recognize the inconvenience that this may cause providers in complying with the annual reporting requirements set forth in 7 AAC 145.531(e). Although annual reports are due no later than 9 months after the end of the provider's fiscal year, some providers begin their financial audits for the report about 2 months after the close of their fiscal year. For this reason, ORR will not apply rate reductions for the following reporting periods.

**For Providers with a fiscal year of 10/1/2013 to 9/30/2014:** if you choose to submit an annual report, it is due 6/30/2015. There will be no rate reductions between 1/1/2015 to 6/30/2016.

**For Providers with a fiscal year of 1/1/2014 to 12/31/2014:** if you choose to submit an annual report, it is due 9/30/2015. There will be no rate reductions between 1/1/2015 to 9/30/2016.

**For Providers with a fiscal year of 7/1/2013 to 6/30/2014:** if you choose to submit an annual report, it is due 3/31/2015. There will be no rate reductions between 1/1/2015 to 3/31/2016.

Please be aware that annual reports that have been submitted or will be submitted are very important to the Department. ORR uses and will continue to use data from these reports to analyze current and future rates for HCB waiver services and PCA services, and to evaluate the rate system as a whole. Therefore, if you complete some or all of the annual report, you are still required to submit it to ORR.

We appreciate your patience throughout this process. If you have any questions, please contact Katherine Tompkins at (907) 334-2644.

Sincerely,

Jared C. Kosin  
Executive Director  
Office of Rate Review, DHSS